

ANNEX A

Local Administration and Reform Program (LAAR)

Background

Cambodia's decentralization process commenced in 2001 with the enactment of laws on commune administration, management, and elections. In pursuing decentralization reforms, the Royal Government of Cambodia (RGC) has three overall objectives: strengthening local democracy, promoting participatory development, and reducing poverty. With the Commune Council elections in February 2002, 1,621 councils were elected, resulting in 11,261 councilors taking office and assuming responsibilities for local governance and local development. This represented a bold step towards deepening democracy in Cambodia.

Since the elections, the RGC, in partnership with both the donor community and civil society, has made substantial progress in pursuing democratic local governance through decentralization and de-concentration (D&D) reform, providing the Cambodian people with greater opportunities to influence the decisions that affect their lives. The councils have developed capacity in managing administrative tasks, planning and implementing development projects, and establishing local commune regulations. However, there continues to be a need for increased: citizen participation in council activities, budgetary resources, local decision making authority, and transparency and accountability mechanisms in line with the RGC's rectangular strategy.

In June 2005, the Council of Ministers of the RGC approved the "Strategic Framework for Decentralization and De-concentration Reforms". This framework provides the foundation for the development of new organic laws that will further deepen the D&D reform process by redefining the roles and responsibilities at the Provincial and District levels of government and clarifying the relationship with Commune Councils. It is anticipated that the new D&D organic laws will be drafted, debated and enacted in 2006, with the implementation of the new laws lasting throughout the life of the LAAR program.

Since the inception of decentralization reform in Cambodia, international donors, diplomatic missions, and local and international development organizations have provided considerable support both financial and technical to the RGC in implementing D&D reforms. The United States Agency for International Development (USAID) has recently launched its 2005-2010 Cambodia Development Strategy that calls for support to "Improve Political and Economic Governance" in Cambodia. A new component of the strategy is to "support democratic local governance and decentralization. As a first step in augmenting its support to decentralization under the new strategy, USAID has allocated \$14.4M to support programming focused on increasing Commune Council and citizen engagement in the decentralization and deconcentration (D&D) reform process. In September 2005, USAID selected Pact Cambodia to implement the five-year Local Administration and Reform (LAAR) Program through a competitive bidding process.

The goal of the five-year Local Administration and Reform (LAAR) Program is to:

The program will reach this goal through an integrated, phased approach, intended to complement the existing investments and efforts of other agencies. The approach focuses on two critical themes of operation – civil society engagement and local government engagement; and three significant cross-cutting issues – good governance; inclusion of under-represented groups, including women and minorities; and natural resource management (NRM). *See Figure 1.*

```

graph TD
    A[Local Administration and Reform Program] --> B[Critical Theme 1: Civil Society Engagement]
    A --> C[Critical Theme 2: Sub-National Government Engagement]
    B --> D[Citizen participation and key stakeholder support for increased citizen participation in decentralization and deconcentration reform]
    B --> E[Partnerships with Commune Councils]
    C --> F[Commune Council strengthening in transparency, accountability and partnership promotion]
    C --> G[Partnerships with Civil Society]
    D --> H[Social Development]
    E --> H
    F --> I[Cross-Cutting Issues]
    G --> I
    I --> H
    E <--> G
  
```

The flowchart illustrates the structure of the Local Administration and Reform Program. At the top is the main program box. It branches into two critical themes: Civil Society Engagement and Sub-National Government Engagement. Each theme has two associated activity boxes. Arrows from these activity boxes point towards a final Social Development box at the bottom. A separate column on the right lists cross-cutting issues, with arrows indicating their relevance to the themes and the final outcome.

Local Administration and Reform Program

Critical Theme 1: Civil Society Engagement

- Citizen participation and key stakeholder support for increased citizen participation in decentralization and deconcentration reform
- Partnerships with Commune Councils

Critical Theme 2: Sub-National Government Engagement

- Commune Council strengthening in transparency, accountability and partnership promotion
- Partnerships with Civil Society

Cross-Cutting Issues

- Good Governance*
- Under-Represented Groups*
- Natural Resource Management*

Social Development

Objective 1:	Increased citizen acceptance of and participation in the D&D reform process at the sub-national level in 500 communes covering ten provinces and municipalities.
Objective 2:	Increased partnerships between Commune Councils and civil society that can effectively respond to citizen expectations and priorities.
Objective 3:	Increased citizen and sub-national level knowledge of and influence on national D&D and local policy implementation.

Global decentralization best practices demonstrate that an active and engaged civil society, mobilized to participate actively in and have influence on local government decisions, is a necessary pre-condition for successful decentralization. Presently, the dominant approach to decentralization in Cambodia is supply-driven through capacity building of decentralization

stakeholders by government and donors. LAAR's multi-dimensional, demand-driven approach is designed to complement and collaborate with existing D&D initiatives. The approach supplements capacity building with technical support and social development funds to provide Commune Councils and civil society organizations the opportunity to apply new skills and realize tangible social development results. LAAR will bring civil society and local government together to assess and improve Commune Council performance, thus promoting greater transparency and accountability, and will adopt an innovative and integrated media strategy to raise awareness and increase access to information on D&D issues.

The LAAR program will target a total of 500 communes in ten provinces chosen from:

- | | | |
|--------------------|----------------|--------------|
| – Banteay Meanchey | – Kampong Thom | – Pursat |
| – Battambang | – Kampot | – Siem Reap |
| – Kampong Cham | – Kandal | – Svay Rieng |
| – Kampong Speu | – Phnom Penh | – Takeo |
| – Kampong Chhnang | – Prey Veng | |

Pact will not implement the LAAR program directly, but will work through a network of national and provincial Cambodian partners in order to build the capacity of both Commune Councils and civil society and to increase sustainability of program investments. Village networks¹ will serve as the LAAR program's primary civil society representative. This model aggregates representatives of local community-based organizations (CBO)s to form village networks that serve as effective links between the Commune Councils and local communities, act as advocates for community interests, and disseminate information on council activities.

LAAR uses the Law on Administration and Management of Councils (LAMC) as the foundation for all program activities and focuses on fulfilling the rights listed under the LAMC that are not yet fully implemented. A core component of the program is the incorporation of three cross-cutting issues into all activities: good governance; inclusion of under-represented groups; and NRM. These cross-cutting issues were chosen based on evidence from recent assessments of Commune Councils indicating that they have been prioritized by councils and citizens themselves. Attention to these issues is critical to improving participatory development processes and democratic practices.

The results of the LAAR program will be increased citizen participation in commune activities, stronger civil society partnerships with government, and Commune Councils who are better able to address the prioritized needs of citizens, especially under-represented groups. Pact has integrated sustainability strategies throughout program activities to ensure that USAID investments outlive the program. Program strategies will be institutionalized into existing local and national government and civil society structures, leading to a long-term impact on democratic processes at the sub-national level.

Program Activities

LAAR activities fall into the following categories, each of which is outlined in detail below:

- Capacity Building and Support
- Grant Support
- Increased Transparency and Accountability
- Fiscal Independence
- Increased Advocacy, Dialogue, Linkages
- Increased Awareness

Capacity Building and Support

¹ A model piloted with considerable success by the GTZ Rural Development Program in Kompong Thom, Buddhism for Development in Battambang and Concern Worldwide in Siem Reap and Pursat.

While Cambodia's Commune Councils have received support from Ministry of Interior (MoI) since 2002 in terms of developing their administrative capacity, the councils still lack capacity to reach out to citizens and to cooperate with other communes and government departments, resulting in an inability by the councils to fully respond to the expectations, concerns and priorities of their constituents. Similarly, civil society organizations require strengthening to enable them to promote citizen participation and dialogue with Commune Councils.

A central component of the LAAR program is an intensive capacity building program for both civil society organizations and Commune Councils focused on increasing public participation and decision-making in council affairs and improving transparent and accountable management of council funds. Pact recognizes that capacity building alone does not guarantee action or changes in behavior. This training curriculum will be delivered by Pact's provincial NGO (PNGO) partners. These partners, located in the target provinces, will also be responsible for ongoing coaching and mentoring of training participants to achieve appropriate behavioral transformation.

In order to increase program efficiency while building partnerships between decentralization stakeholders, the PNGOs will jointly deliver the same capacity building program to civil society organizations, Commune Councils, and government facilitation teams. Each joint training program will incorporate the development of joint action plans. These plans will be supported and monitored by the PNGOs to measure behavior change as a result of new knowledge and skills.

For development and dissemination of the program's core curriculum, Pact will partner with VBNK and SILAKA, two of Cambodia's leading management training institutes, to conduct training of trainers (ToT) for PNGO staff in the distinct areas outlined below:

- | <u>VBNK</u> | <u>SILAKA</u> |
|--|---|
| <ul style="list-style-type: none"> • Sustaining village networks • Participatory planning and advocacy between villagers and Commune Councils • Developing partnerships with Commune Councils | <ul style="list-style-type: none"> • Financial transparency and accountability • Participatory management |

In order to institutionalize the capacity provided to the PNGOs, the Provincial Local Administration Unit (PLAU) and the Provincial and District Facilitation Teams (PFTs and DFTs) will be included in the PNGO ToT so that they may play a future role in capacity building and follow-up with councils and civil society as the D&D reform process solidifies over the next few years.

Pact recognizes that there are many stakeholders working to build the capacity of Commune Councils in Cambodia. The LAAR training methodology is designed to be complementary and not duplicative. The program will take yearly inventory of both government and other organizations' training programs to identify gaps and/or complementary areas for collaboration in order to deliver the necessary curriculum most efficiently and effectively.

Grant Support

Social Development Funds. Ninety two percent of Commune Development Funds (CDF) in Cambodia are allocated to infrastructure projects. While these are of visible benefit to many, councils also have a mandate to address social development issues. The incorporation of socially-focused investments into commune planning is a gap identified by all major donors and NGOs working in decentralization. The LAAR program will provide Social Development Funds (SDF)

as an incentive for councils to make investments² that will address pressing social issues identified by citizens.

The LAAR program will disburse the SDF in the form of sub-grants to councils. Each targeted commune will have access to US\$3-5,000 for up to three consecutive years. Commune Councils must allocate 20% of their SDF to community outreach activities – village-level meetings, citizen contribution of agenda items for council meetings, development of public announcements or notice boards providing information on council activities, or an annual disclosure meeting – to encourage councils to integrate outreach and inculcate ownership over achieving the program results.

Pact will require that funded priorities be identified through the government-established Commune Investment Planning (CIP) process. Pact will work with PLG/Seila and other experienced stakeholders to enhance the existing CIP process, to increase opportunities for participation and decision making by under-represented populations and minorities, and to encourage consideration of social development issues. As PNGO partners already focus on social issues, LAAR will augment their skills so that they can provide technical assistance to the Commune Councils during the planning process. In addition, the program will require councils to follow the government's established CDF bidding process for SDF project implementation, allowing open and fair competition between local or national NGOs and private sector institutions for the procurement of social services.

Over the life of the program, LAAR's SDF incentive will require an average of 40% match of non-USAID funds. This requirement can come from any source identified by the council with a preference for monetary investments (i.e. match from other donors, or financial contributions from citizens). The infusion of these funds will begin to integrate social development priorities into all commune planning activities, thus promoting a future balance of social and infrastructure investments of CDF after the SDF component is exhausted. Part of the reason that the majority of CDF projects currently focus on infrastructure, despite the fact that communities are already prioritizing social issues as well, is that the technical assistance available to the councils through DFTs heavily weighs in favor of small infrastructure development. Pact will enable technical assistance for social development by including NGOs/PLAU/PFTs/DFTs in social development capacity building and implementation activities.

Model Commune Council Awards. Model communes will be acknowledged for exceptional performance, as identified through the Commune Council Performance Assessment process (see below), with thirty additional LAAR program awards of up to \$5,000. These awards will be used to encourage the development of advocacy partnerships between councils and civil society or between councils themselves. Exposure visits to other model communes in Cambodia and in the region will also be awarded to the highest performing councils. These model communes will form a pioneering nucleus that will work with Pact and its partners to identify partnership best practices and mentor other councils.

Civil Society Grants. The LAAR program will offer small grants supporting projects that aim to increase citizen involvement and that focus on cross-cutting issues of good governance, under-represented groups and NRM. All funded initiatives must demonstrate strong partnership links to Commune Councils. These small grants will be for up to US\$5,000/year and will be made available to innovative local NGOs, CBOs and village networks in 30 communes over the course of the five-year program.

Increased Transparency and Accountability

Commune Council Performance Assessment. Oversight mechanisms of Commune Council performance are critical to preventing local-level corruption, ensuring that the needs of the people at the local level are addressed, and assisting Commune Councils to use their funds in a manner that leads to quality projects beneficial to commune citizens. The Law on Administration

² These investments may include small infrastructure where it directly supports the social aim of the project.

and Management of Councils (LAMC) states that citizens have the right to monitor the performance of councils. In order to assist citizens in exercising this right, Pact will provide technical advice and facilitation as a member of the Working Group for Partnerships in Decentralization (WGPD) in developing a Commune Council Performance Assessment (CCPA) process. This process will employ simple monitoring tools that will allow both citizens and Commune Councils themselves to evaluate council performance.

The WGPD will develop a Commune Performance Survey (CPS) to be completed by local citizens and a self-assessment tool for use by Commune Councils in collaboration with both civil society and council representatives. The same indicators will be measured in both, and will encompass councils' ability in the areas of:

- service delivery;
- administrative and financial management;
- representation of citizens to higher levels of government;
- integration of participatory planning processes in the allocation of Commune Development and Social Development Funds; and
- conflict resolution and establishment of sustainable solutions to villagers' prioritized needs.

Once developed, Pact and other WGPD members will pilot the CCPA process within their existing programs. PNGOs and Provincial Local Administration Units (PLAUs) will co-facilitate the assessment process, which will include an annual joint meeting between civil society and Commune Councils, the output of which will be an annual Commune Council Performance Improvement Action Plan. Pact will work to involve the MoI from the beginning of this initiative with the ultimate objective of institutionalizing the CCPA nation-wide.

Public Disclosure of Commune Finances. A primary means by which Commune Councils will gain credibility and legitimacy is through public disclosure of council income and expenses. The LAMC states that citizens have the right to access council finance reports. LAAR will fund the National Audit Authority (NAA) to conduct spot external audits of up to 25% of target Commune Councils per year.³ If a partnership with NAA is not possible, LAAR will seek private organizations to conduct external audits. The results of these audits will be provided to the public in a manner that can be understood by average citizens. Based on the results, SILAKA will develop additional ToT on financial management for PNGOs that will work with Commune Councils, PLAUs, PFTs and DFTs to address weaknesses in fiscal controls and budgetary performance identified in the audits.

Fiscal Independence

Commune Council Banking. Currently, the majority of council funding is disbursed through the Provincial Treasury. According to a DFID/SIDA assessment, as well as reports coming from many different sectors, the Provincial Treasury has exhibited some problems with assuring full and timely disbursements of CDFs. The Ministry of Economy and Finance (MoEF) and MoI have recently agreed to pilot private Commune Council bank accounts at local commercial banks. This opportunity gives the councils greater control over commune finances, helps to decentralize geographical access to accounts and will allow for greater transparency and accountability in the use of SDFs. Pact will explore expanding this pilot in LAAR target areas and will cooperate with the government to consider operational systems for the SDF passing through commercial banking arrangements. This innovation will increase the ability of citizens to assess council expenditure on SDFs as part of the Commune Council Performance Assessment. Pact recognizes that current donors such as DFID and SIDA are working with Seila to improve Provincial Treasury systems and that new procedures to increase accountability will be written

³ In 2005, the United Nations Development Program (UNDP) and Office for Project Services (UNOPS) initiated an audit by the National Audit Authority (NAA) of 10% of the 2003 Commune Development Fund of the procurement process, revenue collection and documentation, and cash handling. The audits have not been made public but preliminary informal findings have identified areas that could use stronger fiscal controls.

into the organic law. Given the program's commitment to complement and coordinate with existing investments, LAAR will look at disbursing funds through the Provincial Treasury, once mechanisms are in place to ensure that the treasury can manage the funds accountably and transparently.

Own-Source Revenue Piloting. Commune Councils' financial sustainability will come from their ability to raise revenue. Own-source revenue is permitted under the LAMC, but the details of own-source revenue have not yet been determined; they are expected to be addressed in the forthcoming organic law. Greater autonomy by councils over their funds, rooted in transparency and citizen participation, will create a more demand-driven Commune Council investment model for Cambodia. The need for this is further highlighted by the limited lifespan of the SDF and LAAR's interest in ensuring sustainability of this type of investment. Increasing the authority of councils to generate income and collect tax will provide an additional incentive for the public to hold councils accountable for the responsible use of public funds and revenue should, over time, replace donor investments in commune development projects.

The LAAR program will advocate for greater clarity in councils' ability to collect revenue and will coordinate with established working groups and associations to do the same. Pact will support studies by Cambodian organizations to investigate options for revenue collection. In partnership with relevant government offices, the program will be able to pilot revenue collection initiatives in the target provinces. Key lessons learned from any such initiatives will be communicated to the national level, where specific policies are being considered. Although nascent, this could be a growth area for the program given future investments. Any work by the program in these respects will only be undertaken in response to specific requests by or through the Ministry of Interior and the Ministry of Economic and Finance, in the light of revised or new fiscal decentralization policies from the D&D program and the Organic Laws.

Increased Dialogue and Linkages

With the advent of the organic law, the opaque future of PLG/Seila and the new National Decentralization and De-concentration Program (NDDP), civil society and Commune Councils have significant opportunities to influence the government's D&D strategy and policies. The LAAR program will work to strengthen civil society and Commune Council networks, increasing their credibility and legitimacy to play a more active role in D&D reform.

Thematic Public Forums. Two-way flow of information between citizens and Commune Councils requires that citizens directly engage in dialogue with their elected representatives – not only within the context of Commune Council activities but also in broader public arenas. The LAAR program will implement local-level public forums two times per year in commune clusters, each of which will focus on a prioritized D&D issue. Pact will provide support to PNGOs to organize and facilitate the forums in collaboration with Commune Councils and civil society.

Support to Existing D&D Working Groups. LAAR is committed to strengthening mechanisms that promote ongoing dialogue with government and for elected commune officials to have the maximum authority and resources they need to effectively serve their constituents. Pact has facilitated the establishment and coordination of three decentralization working groups: the Working Group for Partnerships in Decentralization, the Decentralization Forum Working Group and the D&D Reform Working Group. Through LAAR, Pact will continue to provide logistical, material, and technical support to these groups, building the capacity of working group members to understand the implications of various D&D reform considerations and facilitating and coordinating group activities.

Support to Inter-Commune Associations. As UNDP, GTZ and Konrad Adenauer Foundation (KAF) establish Cambodia's first National Commune Association (NCA) structure, the LAAR program will seek to identify ways to provide support to provincial-level associations through its PNGO partners, increasing their capacity to dialogue with higher levels of government and to implement collaborative efforts to solve pressing commune issues. Within its target provinces,

the LAAR program will also support efforts to establish a female councilor network including regular provincial forums as a venue for communication and knowledge sharing among female councilors.

Support to the NGO Liaison Office. The NGO Liaison Office (NLO) is a quasi-NGO and government office in the Department of Local Administration (DoLA). Its mandate is to promote dialogue and collaboration among civil society and government related to D&D reform issues. Most recently, PLG/Seila has funded the NLO and the Commune Council Support Project (CCSP) has been responsible for building its capacity to fulfill its mandate.

One of the NLO's responsibilities is to provide information and education to civil society on decentralization legislation. Findings from an analysis of decentralization conducted by Pact in April 2005 state that there is a great demand for increased awareness on the rights of Commune Councils to develop local regulations (deccas) as mandated in the LAMC. Many councils neither know they have this right nor how to assert it. A potential activity that the NLO could undertake is to develop a training curriculum and materials for councils and civil society on the procedures for developing deccas. The LAAR program will evaluate this and other entry points for activating the NLO in cooperation with PLG/Seila and DoLA, and will provide technical support to jumpstart this innovative model of placing an NGO Liaison Office at the ministry level.

Links to Regional Decentralization Groups. CCSP's work in collaboration with the Indonesia Partnership for Governance Initiatives and the Global Network on Local Governance presents opportunities for civil society and Commune Councils to participate in Asia regional groups and conferences that promote decentralization. The LAAR program will provide funding to selected Commune Councils, civil society members and program staff who show strong leadership in achieving program results to attend these and other regional decentralization forums at least two times over the program period.

Increased Awareness

Successive research on citizen awareness of Commune Councils has found that most citizens are unaware of their rights. In order to increase media messages focusing on decentralization issues and the role of Commune Councils in public life, Pact will partner with local NGOs with experience in media development. Media content will highlight:

- partnership best practices as demonstrated by model communes;
- citizen participation and decision making in commune activities;
- transparent and accountable use of SDFs;
- council services;
- citizen and council rights under the LAMC;
- NRM issues affecting communes;
- D&D policy initiatives that affect citizens with particular emphasis on under-represented populations;
- the work of D&D associations;
- reports of council watchdog NGOs; and
- other issues related to the program objectives.

The LAAR media strategy will place special emphasis on radio programming as it demonstrates the highest potential to reach the greatest number of Cambodians. For example, Women's Media Center's station, FM 102, and local station relays have the capability to reach all provinces targeted by the LAAR program. Broadcasts will include interviews with key D&D players and provide opportunities for call-in questions.

LAAR will also employ a variety of additional media formats – posters, pamphlets, billboards, newspapers – to heighten D&D public awareness and understanding. The Asia Development Bank's Commune Council Development Program (CCDP) has already built a successful partnership with the Neutral and Impartial Committee for Free and Fair Election in Cambodia (NICFEC) which has put on more than 480 commune level performances on civil registration

reaching over 350,000 people. Pact will investigate this and similar initiatives to identify creative approaches to communicating messages related to program objectives.

Finally, the program will issue a semi-annual bulletin highlighting D&D best practices in Cambodia and internationally. The target audience for the bulletin will be national government, sub-national government (including Commune Councils), civil society organizations (including NGOs and CBOs) and interested members of the public.

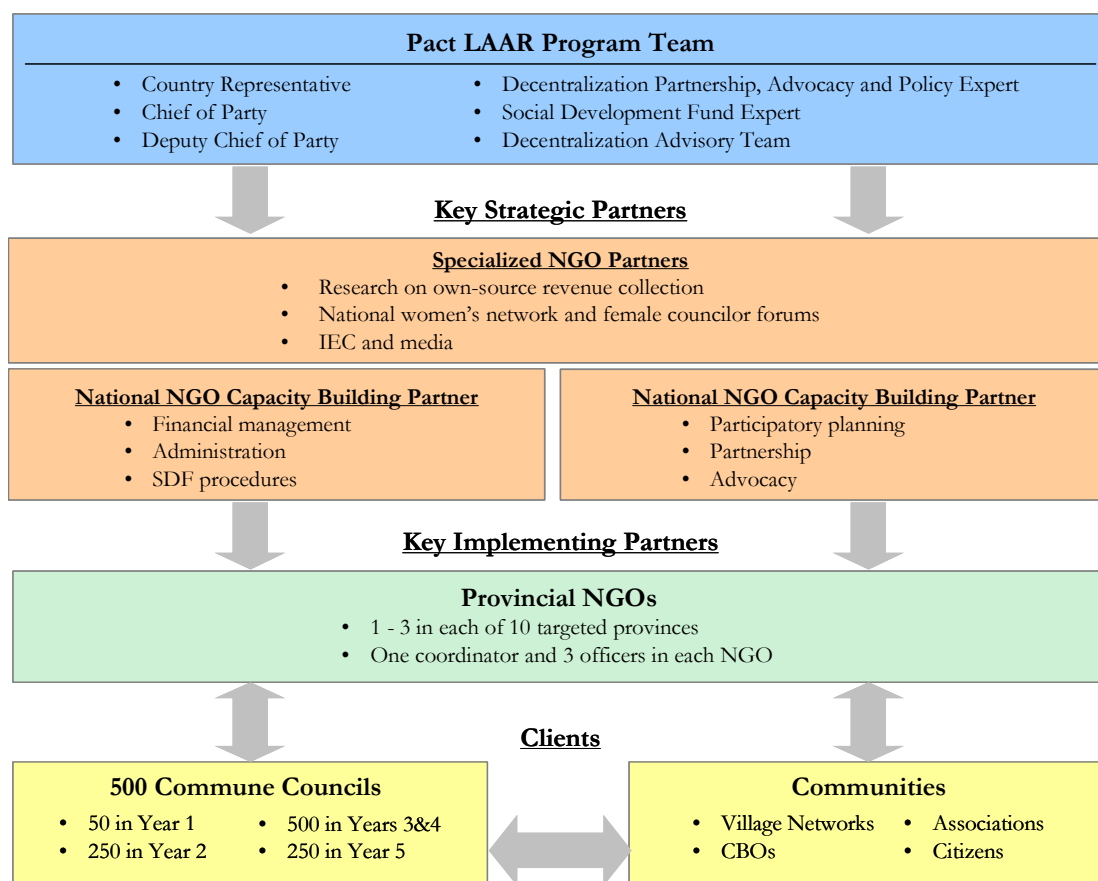
Organizational Structure

In order to reach scale while maintaining a simple structure, the LAAR program is managed by the Pact Cambodia team in Phnom Penh, with support from a network of implementing partner organizations. In addition to the Chief and Deputy Chief of Party and a broad team of program officers and grants managers, two experts are staffed full-time – a Decentralization Partnerships, Advocacy and Policy Expert and a Social Development Fund Expert – in order to support the core focus areas of the program. The LAAR partner network includes:

- **National-level** Cambodian training and technical NGOs and working groups that implement capacity building, information dissemination, research, assessment and advocacy activities.
- **Provincial-level** Cambodian NGOs for capacity building, monitoring and evaluation of civil society partners and target Commune Councils.

The program also employs a Decentralization Advisory Team (DAT) comprised of four experts – three international and one Cambodian. The DAT will conduct semi-annual missions to provide advice on program strategies and to assess program activities and outcomes to allow the program to incorporate best practices and to evolve based on lessons learned. Each member of the DAT brings a specialization in one of the cross-cutting issues – good governance; gender and under-represented populations; and NRM. The DAT will allow the program to move away from disconnected consultancies to ensure that LAAR continues to address the dynamic and fluid environment of D&D reform in Cambodia.

Figure 2. LAAR Program Structure



Program Scale-Up

The LAAR program will expand to reach 500 Commune Councils in ten provinces by Year Three. In Year One, Pact will target fifty Commune Councils in three provinces. Pact will choose these provinces based on their positive results from existing work in decentralization. In Year Two, the program will add three additional provinces, which will test program expansion and ensure systems are in place. In Year Three, the program will reach all ten targeted provinces. This sequential roll-out will allow the program to gain experience while creating the greatest efficiency for achieving program objectives. Providing only three years of support to any individual commune will allow Pact to assess sustainability in the initial communes after their access to support ends and adjust strategies accordingly.

Summary of Sequential Council Roll-out

Targets	YR1	YR2	YR3	YR4	YR5
Provinces	3	6	10	10	6
Councils	50	250	500	500	250

Selection of Beneficiaries

Because Cambodia has a plethora of donors and international NGOs involved in decentralization, the program is conducting a baseline mapping and gap analysis of existing investments to identify complementary and strategic entry points for USAID support. The analysis will also include a review of funding mechanisms, partnering models, and existing training provided to Commune Councils to date to solidify the LAAR implementation strategy.

The first year baseline mapping will also facilitate the identification of 50 Commune Councils poised to receive initial program inputs. Pact will select these initial beneficiaries based on vulnerability, political diversity, demonstrated capacity and willingness to increase public participation, transparency and responsiveness to citizen's demands. Similarly, provincial NGO partners will be selected based on criteria including level of experience with Commune Councils

and participatory approaches, grants management skills, commitment to social development issues, and overall organizational capacity.

USAID and Pact's Contributions to Date

Both USAID and Pact Cambodia have been involved in decentralization in Cambodia since 2001. Before the Commune Council elections, USAID supported the training by Pact of Commune Council candidates from all political parties that took part in the elections. In the post-election period, USAID has supported pilot activities through implementing partners to work with Commune Council chiefs, councilors and clerks to raise their capacities. Additionally, USAID implementing partners have conducted workshops providing Commune Councils and their constituencies an opportunity to interact with one another and have established 22 Community Information Centers providing access to information on elections, human rights, decentralization, community development and other issues.

In its new 2005-2010 Strategy, USAID has replaced “Increased Competition in Cambodian Political Life” with “Improved Political and Economic Governance” as its third Strategic Objective. USAID recognizes that governance includes a variety of interactions within the web of other relationships that involve not only government but also the private sector and civil society. “Support democratic local governance and decentralization,” the fourth component of the good governance Strategic Objective, aims to promote grassroots-level democracy, accountability and transparency, especially within the elected Commune Councils.

Pact began supporting decentralization reform before the 2002 elections by conducting Nonpartisanship Workshops with local government and NGOs on decentralization concepts and the role of Commune Councils. Following the elections, Pact began extensive research on Commune Councils’ achievements, development agencies’ support, and best practice partnerships with civil society that resulted in the publication *Commune Councils and Civil Society: Promoting Decentralization through Partnership*.

In 2003, Pact facilitated the establishment of the Working Group for Partnerships in Decentralization to promote partnerships among decentralization stakeholders and to articulate the interests of members to national government. The Working Group has since grown to include more than 25 local and international organizations, is supported in 2005 by eight donors and has spawned two additional working groups. The achievements of these groups include conducting a Partnership Training Program for Commune Councils and CBOs, organizing three national forums on decentralization, and producing the *Partnership Handbook: A Practical Guide to Promoting Partnership in Cambodia* which was distributed to all 1,621 Commune Councils.